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ABSTRACT

This document was published by the Council for Aid to Education, the only national nonprofit organization that focuses on education and private giving, particularly corporate giving. The first part presents national estimates for corporate contributions made during 1993. Preliminary data for 1994 indicate little if any growth, though the outlook for 1995 is somewhat more positive. Some of the findings were: (1) Adjusted for inflation, contributions have climbed 8 percent annually between 1976 and 1985, and have fallen an average of almost 1 percent annually since; (2) Corporate foundations continue to play a major role in bolstering consolidated corporate giving; (3) Corporate support of educational causes represented 42 percent of total contributions in 1993; (4) Higher education received the bulk of education support; and (5) The ratio of contributions to pretax income fell from 1992-93, while profits climbed. The second part presents results of the 1993 Survey of Corporate Contributions. A total of 321 out of 371 companies responded. The data are supplemented by findings of the Council's Voluntary Support of Education (VSE) survey. One highlight of the survey findings is that: education received the largest share--43 percent, or $759 million--of the $1.767 billion reported given to specific causes in the United States in 1993. Second, colleges and universities secured almost 73 percent of the education dollars. And finally, gifts of company products and property accounted for 16.4 percent of contributions to all causes. Fifteen tables and 13 figures are included. (LMI)

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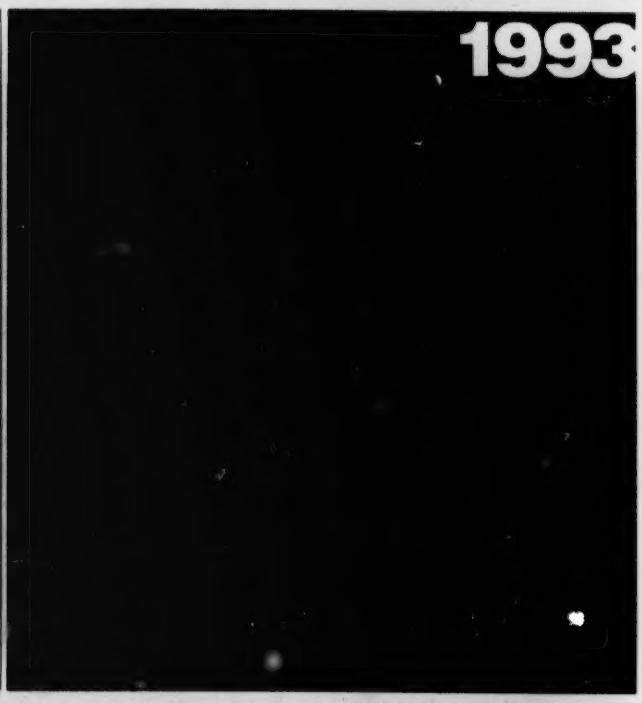
ED 378 684

COUNCIL FOR AID TO EDUCATION

Corporate Support of Education

1993



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About the Council for Aid to Education

The Council for Aid to Education is the only national non-profit organization that focuses exclusively on education and private giving, especially corporate giving. Our primary mission is to inform, strengthen, and enhance the impact of corporate support of education at all levels.

At the Council for Aid to Education, we:

- provide corporations with advice and assistance in identifying and developing effective national, regional, and local programs of education support;
- offer thoughtful analysis and commentary on key aspects of education policy and practice;
- collect, interpret, and disseminate data on educational philanthropy for the funding community, for educators and educational policymakers, and for government decisionmakers;
- act as a source of information and expertise not only for corporations but also for the media, for researchers, and for civic and community leaders interested in private support of education.

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Corporate Support of Education

1993 Highlights

National Estimates

Charitable contributions by U.S. corporations and their foundations to organizations in the U.S. rose 2 percent in 1993 to an estimated $6.05 billion. Adjusted for inflation using the Consumer Price Index (CPI), contributions climbed 8 percent annually between 1976 and 1985, and have fallen an average of almost 1 percent annually since. **Page 2**

Corporate foundations continue to play a major role in bolstering consolidated corporate giving. The net outflow from these foundations in 1993 was an estimated $350 million. Corporate foundations had assets of about $6.6 billion in 1992, the latest year for which data are available. **Page 2**

Corporate support of educational causes represented 42 percent of total contributions, or $2.5 billion, a five percent increase over 1992. **Page 3**

Higher education received the bulk of the education support, 71 percent or $1.8 billion in 1993, a six percent increase over 1992. A single large property donation to a higher education institution accounted for over a third of the increase. Precollege education remained at an estimated 15 percent share of the education total in 1992, or over $380 million. Other education programs received on the order of $350 million, as their share of the education total continued to erode. **Page 4**

The ratio of contributions to pretax net income fell from 1.50 percent in 1992 to 1.34 percent in 1993. Corporate profits climbed 14 percent in 1993 after having climbed 18 percent in 1992. **Page 5**

Preliminary data for 1994 indicate little if any growth. The outlook for 1995 is somewhat more positive. **Page 6**

Survey Results

Education received the largest share — 43 percent, or $759 million — of the $1.767 billion reported given to specific causes in the United States in 1993 by 321 participating companies. An additional $242 million in contributions were reported but not allocated to specific causes. **Page 7**

Colleges and universities secured almost 73 percent of the education dollars, up from 70 percent in 1992. The share of support directed to precollege education by the 321 reporting companies fell slightly, from 16 percent in 1992 to 15 percent in 1993. **Page 8**

Gifts of company products and property accounted for 16.4 percent of contributions to all causes, up from 13.4 percent in 1992. Gifts of product and property to education climbed from 10.6 percent of all education contributions to almost 16 percent. **Page 14**

National Trends in Corporate Contributions

Estimated Consolidated Corporate Contributions

Contributions by corporations and their foundations to charitable causes in the United States climbed 2 percent in 1993 to an estimated $6.05 billion. This small increase follows a 1 percent decline in 1992 and continues a pattern of slow growth in corporate charitable contributions that dates from the mid-1980s. Taken together, the past eight years constitute the longest period of consistently slow growth in corporate contributions in recent history. Between 1986 and 1993, annual increases averaged only 2.9 percent, a pattern which stands in marked contrast to the unprecedented average annual increases of 16.2 percent posted between 1976 and 1985. Adjusted for inflation using the Consumer Price Index (CPI), contributions climbed 8 percent annually between 1976 and 1985, and have fallen an average of almost 1 percent annually since.

These consolidated figures (*see Table 1 and Figure 1*) portray the estimated annual flow of gifts from the corporate community — both corporations and their foundations — to charitable organizations based in the United States. (*Table 1* and *Figure 1* also include revisions to 1991 and 1992 figures published last year.) Prior to 1990, the Council estimated only the amounts that are ultimately reported by the Internal Revenue Service (IRS) two-and-a-half years after the fact. IRS figures **include** contributions by companies to their own foundations and **exclude** company foundation gifts to other charitable causes. In many years these two flows are quite different and do not cancel each other out.

Among other functions performed by corporate foundations, they can protect contributions programs from the ups and downs of corporate profits. When times are prosperous, companies can add reserves to their foundations. When profits are off, foundations can draw upon asset earnings and reserves to maintain a desired overall corporate giving level without having to cut into profits (*see Figure 2*).

Table 1

National Trends in Consolidated Corporate Contributions to All Causes and Pretax Net Income

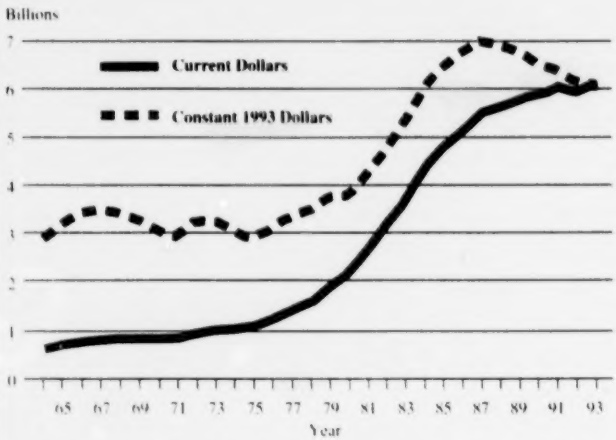
Year	Estimated Consolidated Corporate Contributions To All Causes *(millions $)*	Percent Change From Prior Year	Corporate Contributions To All Causes As Reported By the IRS* *(millions $)*	Percent Change From Prior Year	Difference Between Consolidated & IRS Figures *(millions $)*	Estimated Net Flow into or out of Foundations *(millions $)*	Remaining Difference Between IRS & Consolidated Figures *(millions $)*	Corporate Pretax Income *(billions $)*	Percent Change From Prior Year	Consolidated Contributions As a % of PTI	Consumer Price Index	Estimated Consolidated Corporate Contributions To All Causes (Constant 1993 $) *(millions)*	Percent Change From Prior Year
1964	629	9	729	11	-100	2	-98	68	11	0.92	21.5	2,930	7
1965	703	12	785	8	-82	9	-73	79	16	0.89	21.8	3,224	10
1966	779	11	805	3	-26	7	-19	85	8	0.92	22.4	3,473	8
1967	813	4	830	3	-17	6	-11	82	-4	0.99	23.1	3,517	1
1968	826	2	1,005	21	-179	38	-141	91	11	0.91	24.1	3,431	-2
1969	841	2	1,055	5	-214	43	-171	89	-2	0.95	25.4	3,313	-3
1970	822	-2	797	-24	25	-14	11	78	-12	1.05	26.9	3,063	-8
1971	836	2	865	9	-29	-1	-30	90	15	0.93	28.0	2,983	-3
1972	951	14	1,009	17	-58	28	-30	105	16	0.91	28.9	3,289	10
1973	999	5	1,174	16	-175	61	-114	131	25	0.76	30.7	3,252	-1
1974	1,039	4	1,200	2	-161	36	-125	143	9	0.73	34.1	3,045	-6
1975	1,080	4	1,202	0	-122	-25	-147	140	-2	0.77	37.2	2,902	-5
1976	1,233	14	1,487	24	-254	64	-190	174	24	0.71	39.4	3,131	8
1977	1,410	14	1,791	20	-381	115	-266	203	17	0.69	41.9	3,362	7
1978	1,587	13	2,084	16	-497	277	-220	238	17	0.67	45.1	3,517	5
1979	1,900	20	2,288	10	-388	96	-292	261	10	0.73	50.2	3,782	8
1980	2,172	14	2,359	3	-187	28	-159	241	-8	0.90	57.0	3,808	1
1981	2,668	23	2,514	7	154	-101	53	229	-5	1.17	62.9	4,241	11
1982	3,188	19	2,906	16	282	-120	162	176	-23	1.81	66.8	4,774	13
1983	3,674	15	3,627	25	47	-43	4	211	20	1.74	68.9	5,331	12
1984	4,325	18	4,057	12	268	125	393	241	14	1.80	71.9	6,015	13
1985	4,819	11	4,472	10	348	41	389	225	-6	2.14	74.5	6,472	8
1986	5,119	6	5,180	16	-61	247	186	218	-3	2.35	75.8	6,749	4
1987	5,490	7	4,980	-4	510	-44	554	288	32	1.91	78.6	6,983	3
1988	5,625	2	4,893	-2	732	-250	482	348	21	1.62	81.9	6,871	-2
1989	5,764	2	4,893	0	871	-400	471	343	-1	1.68	85.8	6,717	-2
1990	5,868	2	4,752	-3	1,116	-600	516	355	4	1.65	90.4	6,488	-3
1991**	6,000	2	4,763	0	1,237	-600	637	335	-6	1.79	94.3	6,365	-2
1992**	5,923	-1	4,900	3	1,023	-500	523	395	18	1.50	97.1	6,101	-4
1993	6,050	2	5,250	7	800	-350	450	450	14	1.34	100.0	6,050	-1

** IRS figures for 1992and 1993 are Council estimates.*

*** Some figures for year revised from 1992 report.*

Figure 1

Estimated Consolidated Corporate Contributions to All Causes



Given this role played by foundations, the "consolidated" approach introduced by the Council in 1990 attempts to estimate giving both through direct corporate grants and through corporate foundation grants, while excluding contributions by corporations to their own foundations. The Council believes these consolidated estimates more accurately reflect the actual annual flow of dollars from the corporate community to the non-profit sector.

The consolidated figures also attempt to correct for other characteristics of the IRS data that may create a misleading picture of the year-to-year flow of corporate contributions. Among these characteristics are "carry-overs" of deductions in excess of pre-tax income-related percentage limits, the effects of the "prepayment" option, and differences in fiscal years across companies. As seen in *Table 1* (column headed "Remaining Difference Between IRS & Consolidated Figures"), after taking into account the net effect of foundation gifts, significant differences between the IRS figures and the consolidated figures remain — as much as $650 million in one recent year. These differences are largely attributable to the IRS characteristics described above, but at this time we are unable to say how much each characteristic contributes to the difference each year. Some error in the consolidated estimates also undoubtedly contributes to the differences.

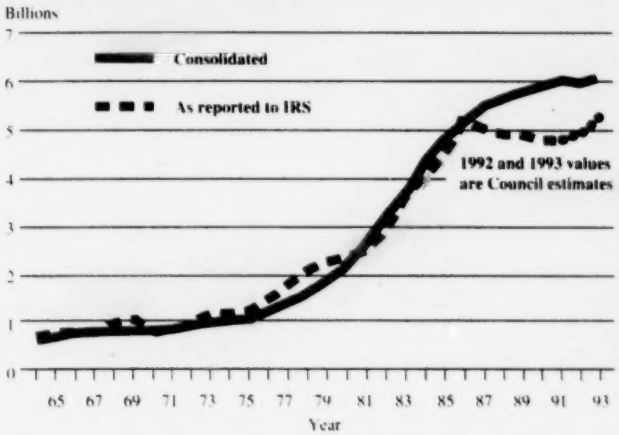
As in the past, the Council continues to estimate the IRS charitable deduction figure. The latest available figure from the IRS, for 1991, shows deductions of $4.76 billion, essentially unchanged from the previous year. The Council estimates that when the IRS figures for 1992 and 1993 are released in 1995 and 1996 respectively, they will show charitable deducations of about $4.9 billion and $5.2 billion respectively.

Education Claims $2.5 Billion Overall

The consolidated contributions estimates have the additional advantage of being on an equal footing with the Council's

Figure 2

Estimated Consolidated Corporate Contributions and Total Charitable Deductions as Reported by the IRS

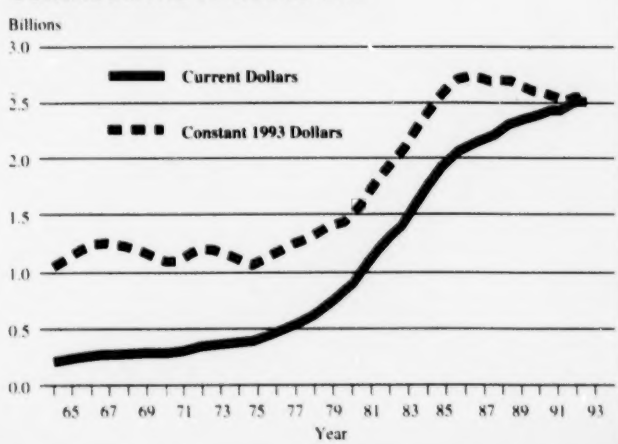


estimates of corporate giving to education, which have always reflected a combination of company and company foundation gifts. *Table 2* and *Figure 3* present estimates of corporate contributions to education for the past thirty years.

The trend in giving to education corresponds closely to the trend in giving to all causes, with double-digit growth between 1976 and 1985, and much slower growth since. Corporate gifts to all educational causes are estimated to have reached more than $2.5 billion in 1993, a 5 percent increase over 1992. (That the percentage increase for education is greater than the increase to all causes combined is due largely to one major property gift to a higher education institution in 1993, as mentioned below.) Education's share of total corporate contributions is estimated to have climbed gradually from 36 percent in 1963 to 42 percent currently. The Council does not estimate total corporate contributions to health and human services, culture and the arts, and other charitable causes.

Figure 3

Estimated Consolidated Corporate Contributions to Education



Distribution of Shares within Education

Estimates of corporate contributions to higher education, elementary/secondary (precollege) education, and other education programs — which includes scholarships and fellowships and education-related organizations — are shown in *Table 2* and *Figures 4* and *5*. These estimates are derived from the distribution of educational contributions reported by companies responding to the Survey of Corporate Contributions. (See page 7 for a description of the survey.)

Higher Education As has always been the case, higher education received the lion's share (71%) of corporate contributions, an estimated $1.8 billion in 1993, up 6 percent from last year's figure of $1.7 billion. The higher education total benefited from a sizable corporate gift of property in 1993. Without this gift of property, corporate support of higher education would have climbed by only about 3 percent.

Readers familiar with Council estimates of corporate support of higher education as reported in our annual *Voluntary Support of Education* (VSE) report may notice that the two sets of estimates do not correspond exactly, although they follow very similar trends. Several factors prevent these figures from being exactly comparable and their differences need to be borne in mind. First, the estimates presented here that are derived from the survey of corporations are meant to reflect only those amounts of higher education support that were treated as "contributions" by the corporations themselves. Corporate support dollars treated as "business expenses" by the corporations are not included in *Table 2*, even if they were treated as gifts by the recipient institutions. Second, the estimates of corporate support of higher education reported in *Voluntary Support of Education* reflect gifts from corporate sources world-wide, while the estimates in this report include U.S.-based corporations only. Third, the estimates presented in *Voluntary Support of Education* are calculated on an academic-year basis, while the estimates presented here are on a calendar-year basis. Finally, companies and higher education institutions value gifts of products and property differently.

Table 2

National Trends in Corporate Contributions to Education and Pretax Net Income

	Estimated Consolidated Corporate Contributions to Education *(millions $)*	Percent Change From Prior Year	Consolidated Contributions to Education As a Percent of Total Consolidated	Consolidated Contributions To Education As a % of PTI	Estimated Consolidated Corporate Contributions to Education (Constant 1993 $) *(millions)*	Percent Change From Prior Year	Estimated Percent Distribution			Estimated Dollar Distribution *(Millions $)*		
							Higher Ed.	Pre-college	Other Ed. Programs	Higher Ed.	Pre-college	Other Ed. Programs
1964	226	9	36	0.33	1,055	7	71	3	26	161	7	58
1965	253	12	36	0.32	1,160	10	71	3	26	180	8	65
1966	280	11	36	0.33	1,250	8	71	3	26	200	9	72
1967	293	4	36	0.36	1,266	1	71	3	26	209	9	75
1968	297	2	36	0.33	1,235	-2	71	3	26	212	9	76
1969	303	2	36	0.34	1,193	-3	71	3	26	216	9	78
1970	296	-2	36	0.38	1,103	-8	71	3	26	211	9	76
1971	309	4	37	0.34	1,104	0	68	4	28	212	12	86
1972	352	14	37	0.34	1,217	10	66	5	30	231	16	105
1973	370	5	37	0.28	1,203	-1	69	4	26	256	16	97
1974	384	4	37	0.27	1,127	-6	70	4	26	269	16	100
1975	400	4	37	0.28	1,074	-5	70	4	26	280	15	105
1976	456	14	37	0.26	1,158	8	70	4	26	319	16	120
1977	522	14	37	0.26	1,244	7	70	3	27	365	17	139
1978	587	13	37	0.25	1,301	5	69	3	28	405	18	164
1979	703	20	37	0.27	1,399	8	69	3	28	485	24	194
1980	825	17	38	0.34	1,447	3	69	4	27	569	31	225
1981	1,014	23	38	0.44	1,612	11	69	4	27	700	39	275
1982	1,243	23	39	0.71	1,862	16	69	4	27	860	50	333
1983	1,396	12	38	0.66	2,026	9	70	5	25	976	64	356
1984	1,643	18	38	0.68	2,286	13	71	5	24	1,160	85	398
1985	1,880	14	39	0.84	2,524	10	72	6	22	1,353	113	414
1986	2,048	9	40	0.94	2,699	7	72	6	22	1,474	125	448
1987	2,141	5	39	0.74	2,723	1	72	7	21	1,541	150	450
1988	2,194	2	39	0.63	2,680	-2	72	9	19	1,580	197	417
1989	2,306	5	40	0.67	2,687	0	72	10	18	1,660	231	415
1990*	2,347	2	40	0.66	2,595	-3	72	11	17	1,690	258	399
1991*	2,414	3	40	0.72	2,561	-1	70	13	17	1,690	314	410
1992	2,429	1	41	0.61	2,501	-2	70	15	15	1,700	364	364
1993	2,541	5	42	0.56	2,541	2	71	15	14	1,804	381	356

** Some figures for year revised from 1992 report.*

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Figure 4

Estimated Percentage Distribution of Consolidated Corporate Contributions to Education

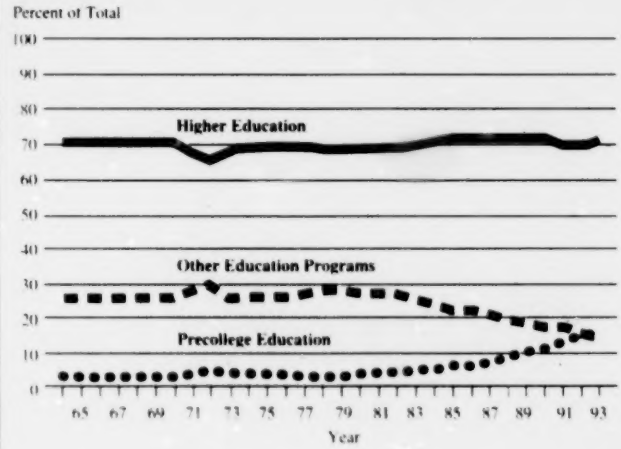
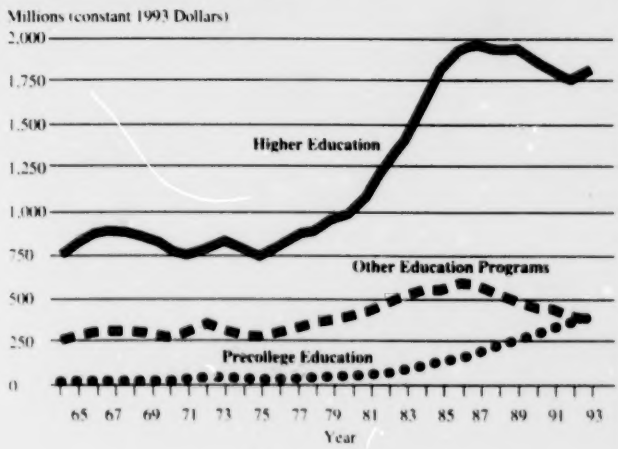


Figure 5

Estimated Distribution of Consolidated Corporate Contributions to Education in Constant 1993 Dollars



Precollege Education The Council found continued evidence of strong corporate support for elementary and secondary education, which has climbed from an estimated 3 percent of the education total in 1961 to 15 percent — or more than $380 million — in 1993. It is probable, however, that some portion of this increase in share (perhaps several percentage points) simply reflects more careful accounting and reporting of gifts to the precollege sector, gifts that in the past might have been lumped in the category of "other education programs."

On the other hand, the precollege share as reported here does not include contributions to higher education institutions and other education programs for activities that are ultimately targeted at precollege education — teacher training, curricular reform, and school restructuring programs, among others. This indirect support amounted to at least another $150 million — assuming that roughly 20 percent of the support for other education programs, and about 5 percent of the support for higher education, are actually directed toward improving elementary and secondary education.

Precollege's share also does not include many other activities that companies undertake in support of elementary and secondary school reform efforts — executive time and effort spent on policy development and implementation, employee time given to tutoring or mentoring during business hours, and school use of corporate space, facilities, and other resources. And corporate support of various youth-related, community, and health and human services programs often have an impact on issues addressed by the school reform movement; these dollars, too, are missing from the above share.

If the question is then asked as to the total dollar value of corporate contributions and other activities in support of the development of children in grades K through 12, the answer must be that we don't know — but certainly the amount is greater than twice the estimated $381 million going directly to K-12 schools and school systems.

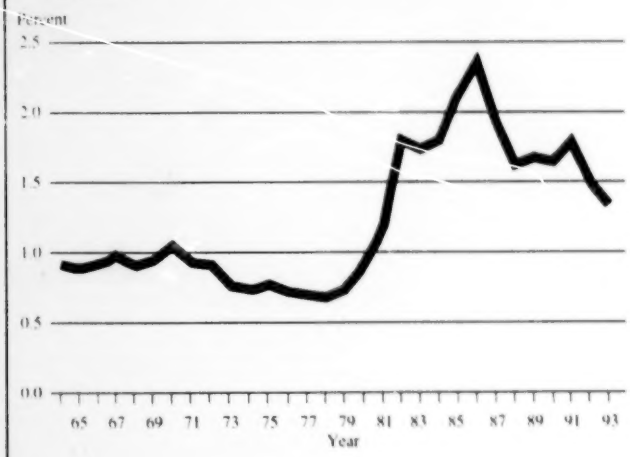
Other Education Programs The share of corporate contributions earmarked for other education programs, which includes scholarships and fellowships and education-related organizations, continued a long-standing decline in share (from 26 percent in 1973 to 14 percent in 1993). Some of this decline is probably due to a change in reporting practices, with companies being more careful to attribute precollege-related dollars to the precollege category. But through its contacts with many companies each year, the Council is also aware that there has been some shift of focus away from the general support of education (via education-related organizations) and toward projects more closely tied to specific educational institutions.

Contributions as a Percentage of Pretax Income

Measured as a percentage of corporate pretax income (PTI), estimated total contributions, at 1.34 percent, and education contributions, at 0.56 percent, both fell in 1993 as PTI climbed 14 percent. However, excepting 1985 and 1986, when poor profits coincided with strong tax-related incentives for companies to "prepay" or otherwise fund future contributions (*see Tables 1 and 2 and Figure 6*), these contributions ratios remain at the high end of historical levels. Overall, the contributions-to-PTI ratios from the early 1980s forward remain dramatically higher than the pre-1980 levels *(but see Research Note below)*.

Figure 6

Estimated Consolidated Corporate Contributions as a Percentage of Pretax Income



Outlook for 1994-95

Preliminary estimates of 1994 giving from many of the companies that participated in the 1993 survey indicate that contributions in total and to education will climb little, if at all, beyond 1993 levels. But responses from the companies suggest that contributions in total and to education may register some modest growth in 1995, enough at least to keep ahead of inflation. For 289 companies in the 1993 survey that provided information, 98 thought their support would increase, only 24 thought it would decrease, and 167 thought it would remain the same.

However, in a more robust economy, many corporations with foundations may well find it prudent to replenish foundation reserves that have been drawn down over the last five years. So if and when IRS figures begin to rise again, the Council's consolidated estimates may not immediately show a comparable increase, since the IRS figures include company gifts to their own foundations while the consolidated figures do not.

Research Note

Like us, you may be surprised enough at finding corporate contributions frequently above 1.5 percent of pretax income since the start of the 1980s to question whether they are really comparable to the pre-1980 figures. We explored this with the Department of Commerce several years ago and can offer the following additional information. The pretax income figure (PTI) they report (or we estimate for the two most recent years) is essentially the net of pretax income reported to the IRS by all profitable companies less the losses reported by all companies operating at a deficit. And during the mid-1980s there was dramatic growth in total losses reported — from $58 billion in 1980 to $191 billion in 1991 (latest year available).

While companies operating at a loss may or may not cut back their charitable contributions, in neither case will they be taking those contributions as a deduction for the year in question. So their charitable giving doesn't add to the contributions figure released by the IRS. On the other hand, the profitable companies are generally reporting their contributions as charitable deductions. If we then look at contributions as a percentage of *profitable* companies' pretax income, we find ratios during the 1980s and into the 1990s rising to a range around 1.2 percent of pretax income. This is still a significant increase over the levels of the 1970s, and, for purposes of comparison, probably a better indicator of where the ratio currently stands.

1993 Survey Results

The analysis and discussion of survey results that follow primarily reflect information provided by companies that responded to the Survey of Corporate Contributions for 1993. This annual survey, jointly sponsored by the Council for Aid to Education and The Conference Board, collects information on charitable contributions made by many of the nation's largest corporations. The Conference Board, however, is not responsible for any of the contents of this report, which is solely the work of the Council for Aid to Education.

In addition to the corporate survey, corporate- related results from the Council's *Voluntary Support of Education (VSE)* survey, co-sponsored with the Council for the Advancement and Support of Education and the National Association of Independent Schools, are also presented to fill out the picture of corporate support of education. Results from the *VSE* survey are clearly identified.

For the 1993 Survey of Corporate Contributions, 321 companies returned questionnaires, down from 371 companies in 1992. Since all participating companies do not provide complete information, the number of companies represented in the tables that follow will vary. *Table 3* presents a profile of participating companies by size of total and education contributions budgets. Seventy-one percent of the companies reported contributions over $1 million, four percentage points more than last year and reflecting lower participation in 1993 by smaller companies. Companies budgeting over $5 million for charitable giving (30 percent of all reporting companies) accounted for 81 percent of the total contributions dollars, and 84 percent of the education support dollars, reported by all companies in the sample, a similar pattern to recent years. As in the past, companies with the larger contributions budgets tend to direct a greater share to education.

Table 3

Profile of Participating Companies by Size of Contributions, 1993

Contributions Budget	Number of Companies		Contributions (millions of dollars) Allocated and Unallocated Total		Allocated to Education		Education as % of Allocated Total
Less than $500,000	45	(14.0)	$10.6	(0.5)	$3.5	(0.5)	36.8%
$500,000 to $999,999	49	(15.3)	37.2	(1.9)	12.7	(1.7)	36.1
$1,000,000 to $4,999,999	131	(40.8)	337.2	(16.8)	107.6	(14.2)	35.8
$5,000,000 and over	96	(29.9)	1,623.8	(80.8)	634.9	(83.7)	43.8
All Companies	321	(100.0)	$2,008.8	(100.0)	$758.7	(100.0)	42.9%

(Figures in parentheses are percent of total.)
Totals in Tables 3-15 may not add due to rounding.

Where the Dollars Go

The 321 companies reported a total of $2.01 billion in contributions, and were able to specify how $1.77 billion (88 percent) of those dollars were allocated across the major beneficiary categories. Since the corporate contributions survey was launched in 1974, participating corporations have reported directing between 35 and 43 percent of their contributions to education. In 1978, education passed health and human services as the recipient of the largest share and has maintained that position since. As shown in *Table 4* (page 8) and *Figure 7*, education's share of total contributions in 1992, at 43 percent, is the highest share in recent years. A spike in giving to education in 1986 *(see Figure 7)* reflected an increase in giving to higher education institutions by manufacturing companies and was probably tax-related.

Health and human service organizations, at 30 percent, received the second largest share of total contributions. As seen in *Figure 7*, the share of contributions going to this category declined from the late 1970s to the early 1980s, and then rose gradually toward its current level. Civic and community groups received 12 percent of the total; after peaking at 19 percent in 1984, their share has stayed in the 12 percent to 14 percent range. Giving to arts and cultural institutions had displayed a fairly steady, although modest, rise from the late 1970s to the early 1990s, where it has since leveled off. The remaining 3 percent went to the "other" category, which includes disaster relief, food banks, U.S.-based organizations with international relief and policy programs, and similar causes not covered under the major categories. The jump in "other's" share in 1987 is attributable to one extraordinary property gift of $90 million. The climb in

Figure 7

Percentage Distribution of Reported Consolidated Corporate Contributions to All Causes

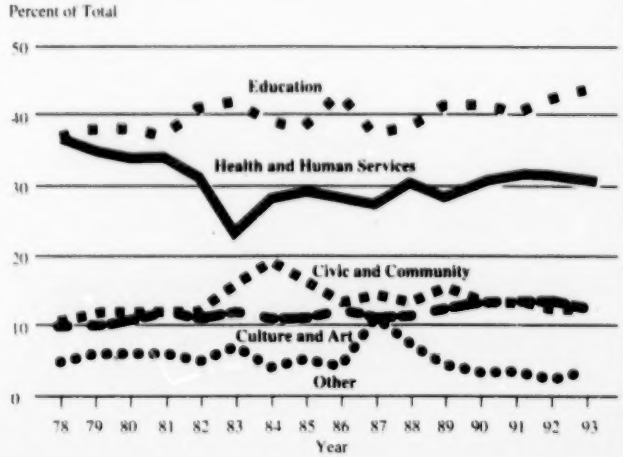


Table 4

Distribution of Corporate Contributions, 1989 -1993

(millions of dollars)

Contributions Budget	1989 333 Companies		1990 339 Companies		1991 410 Companies		1992 371 Companies		1993 321 Companies	
Education	$ 705.3	41.3%	$ 773.4	41.0%	$ 782.9	39.6%	$ 761.8	42.0%	$ 758.7	42.9%
Health and Human Services	480.2	28.1	569.7	30.2	607.6	30.7	567.3	31.3	529.9	30.0
Civic and Community	255.7	15.0	248.2	13.1	253.3	12.8	213.7	11.8	210.7	11.9
Culture and Art	203.1	11.9	238.2	12.6	265.3	13.4	242.8	13.4	213.9	12.1
Other	64.0	3.7	58.4	3.1	67.1	3.4	29.3	1.6	54.1	3.1
Total Allocated	$1,708.3	100.0%	$1,887.9	100.0%	$1,976.2	100.0%	$1,814.9	100.0%	$1,767.3	100.0%
Unallocated	$ 111.8		$ 203.7		$ 272.5		$ 246.7		241.5	
Percent of Grand Total	6.1%		9.7%		12.1%		12.0%		12.0%	
Grand Total	$1,820.1		$2,091.6		$2,248.7		$2,061.6		$2,008.8	

the unallocated portion apparently reflects staffing cut-backs in the corporate contributions function during this period of corporate retrenchment, cut-backs that have made it more difficult for companies to respond to surveys in detail.

Where the Education Dollars Go

Three hundred and twelve companies reported gifts to education totalling $759 million, with $598 million (79 percent) of the total allocated across educational subcategories. *Table 5* compares allocations in 1993 with 1992. Because the same set of companies are not reporting each year, the most meaningful comparisons are between the percentage distributions. However, even these comparisons may misrepresent the trends for all companies (not just those participating in the survey). Thus, the Council, in its national estimates, attempts to smooth out the fluctuations that appear from year to year, and to identify the longer term trends that the survey results appear to indicate. For a 30 year view of these estimates, refer back to *Figures 4* and *5*.

Higher Education

Overall As reported by survey respondents, higher education's share of all education contributions, at close to 73 percent, was up almost 3 percentage points from 1992. However, the higher education category benefited greatly from a single property gift. Excluseive of that gift, higher education's share among the reporting companies, would have been unchanged. (*see Table 2 for a 30 year view of estimates of giving to higher education and other education sectors*).

Public vs. Private Institutions While the corporate support survey does not gather information on the distribution of support across types of higher education institutions, the Council's annual *Voluntary Support of Education (VSE)* survey of colleges and universities does gather such information in great detail. In the 1988-89 academic year, reported corporate support of public four-year institutions surpassed reported support of private four-year institutions for the first time *(see Figure 8)*. However, enrollment at public institutions has grown much faster than at private institutions, and

Table 5

Support of Education by Purpose

(thousands of dollars)

	1992 366 Companies		1993 312 Companies	
	Amount	% of Total	Amount	% of Total
Colleges and Universities				
Unrestricted operating, capital, departmental, research, student-aid grants and grants via consortia	$296,601	49.4%	$308,866	51.6%
Matching gifts*	125,275	20.9	126,272*	21.1
Total Colleges and Universities	$421,876	70.3%	$435,139	72.7%
Precollege Education				
Public and private school support	$ 86,536	14.4%	$ 80,435	13.4%
Matching gifts*	8,797	1.5	8,867*	1.5
Total Precollege Education	$ 95,333	15.9%	$ 89,303	14.9%
Other Educational Programs				
Education-related organizations	$ 45,074	7.5%	$ 42,724	7.1%
Scholarships and fellowships	37,667	6.3	31,258	5.2
Total Other Educational Programs	$ 82,742	13.8%	$ 73,982	12.4%
Total Allocated	$599,951	100.0%	$598,423	100.0%
Unallocated	$161,844		$160,263	
Percentage of Grand Total	21.2%		21.1%	
Grand Total	$761,794		$758,686	

**Estimates based on Council matching gift surveys. Participants reported only a matching gift total to education in 1993.*

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public four-year institutions still lag behind private institutions in corporate dollars received per student *(see Figure 9 for a comparison of public to private research/doctoral institutions)*. In 1993, 80 percent of all corporate support to public higher education was directed to research/doctoral institutions (versus 83 percent in 1992), while private research/doctoral institutions secured 64 percent of the corporate dollars given to private higher education (versus 68 percent in 1992).

Allocations to Different Types of Institutions *Figure 10* compares corporate support per student across different types of institutions in the 1992-93 academic year as reported in the *VSE* survey. While the per student support to public specialized institutions (largely medical and health science) is great, the relative number of students involved is small, so only two percent of all corporate dollars go to public specialized institutions.

Support by Purpose *Figure 11* shows the distribution of corporate gifts to higher education institutions by purpose as reported in the 1992-93 *VSE* survey. Most of the corporate support reported by institutions as earmarked for property, buildings and equipment reflects gifts of company products, most of which is research-related.

Figure 8

Reported Consolidated Corporate Contributions to Four-Year Institutions

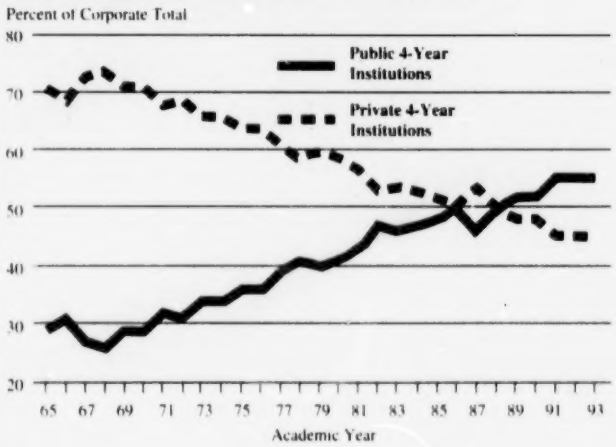


Figure 9

Reported Consolidated Corporate Contributions per Student to Research/ Doctoral Institutions

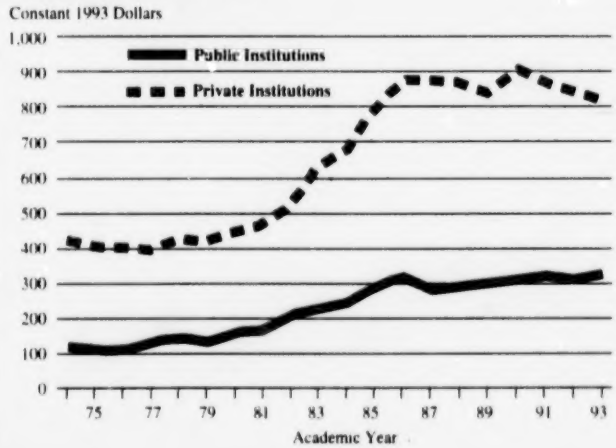


Figure 10

Reported Consolidated Corporate Contributions per Student by Type of Higher Education Institution, 1993

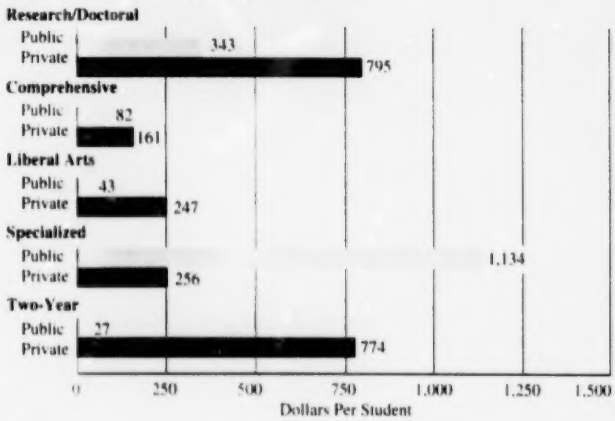
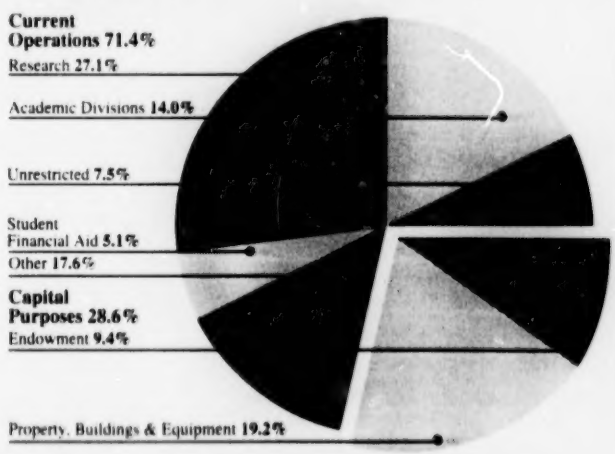


Figure 11

Distribution of Reported Consolidated Corporate Contributions to Higher Education by Purpose, 1993



Precollege Support

Corporate support to precollege education grew gradually from 1978 to 1987, and has grown quite rapidly since. Among the survey respondents in 1993 , precollege support captured about 15 percent of the education total *(see Table 5 on page 8)*. While down a percentage point from last year, we do not consider it meaningful or indicative of any trend.

A special section of the survey in 1989 explored support of precollege education in greater detail. Of the 201 companies providing answers to this section in 1989, 64 percent reported plans to increase support to precollege education in the future, with the rest planning to hold steady at current levels. Of the companies planning to increase support, 66 percent planned to increase their overall education budget, 11 percent planned to shift dollars from higher education-related giving, and 23 percent planned both to increase the overall education budget and to shift some dollars from higher education (both the institutions themselves and higher education-related organizations) to precollege education.

The 1990 survey included a different set of precollege questions. Companies were asked to report gifts to preschool programs and separately to public and private elementary and secondary education. Among 326 companies providing details, a total of $58 million was directed at precollege education, $15 million of which was not further allocated. Of the remaining $43 million, $2.7 million (6 percent) went to preschool programs, $30 million (70 percent) went to public elementary and secondary education, and $10.3 million (24 percent) went to private elementary and secondary education, $7.4 million of which was in the form of matching gifts.

In addition to gifts of cash, products, and property, companies are also supporting the precollege sector in ways not easily expressed in dollars. Among companies responding to supplementary questions in 1989, half said their executives were actively involved in advocacy for school reform and restructuring. Among companies responding to a question about employee volunteerism on company time, approximately a third said a significant number of employees were involved. And about a third of the companies made their facilities, equipment, or supplies available for precollege-related activities. There has not been a follow-up to these questions in subsequent surveys, but it is the Council's impression, based on contacts with many companies, that these types of activities have continued to increase over the past three years.

Other Education Programs

Included in Other Education Programs are scholarships and fellowships and gifts to education-related organizations. The share of reported gifts to this category declined again by 1 percentage point over 1992 to less than 13 percent. More significantly, the share of contributions to this category has fallen gradually by half over the past 15 years *(see Figures 4 and 5, page 5)*, with precollege education capturing the most.

Matching Gifts

In 1993, 22.6 percent of reported support to education was in the form of matching gifts, about the same as last year.

About 75 percent of participants in recent surveys have reported matching gift programs, with most of the dollars being directed by employees to institutions of higher education. Corporate matching gift dollars directed by the company-affiliated individuals to the precollege sector go overwhelmingly to private schools.

Figure 12 shows corporate matching gifts as a percentage of all corporate support *reported by higher education institutions* in the *Voluntary Support of Education* survey over the past 24 years. The percent reported by the higher education institutions is lower than that reported by the corporations for several reasons. First, there are the differences described earlier between the reporting practices of corporations and educational institutions. The latter are counting as corporate gifts amounts that the former are not counting as contributions, but as other types of business expense. Second, corporate contributions as reported in the *VSE* include gifts from foreign companies, which are not included in the corporate support survey. Finally, the Corporate Support Survey sample is over-represented by companies that have matching gift programs, and among these are the companies with the largest programs.

But the slope of the trend line in *Figure 12* is indicative of the impressive growth of corporate matching gift contributions during this period and dramatically illustrates the increasing pressure matching gift programs are placing on many corporate contributions programs.

Figure 13 explores factors behind the increasing pressure on corporate education budgets created by burgeoning matching gift programs. As can be seen, the increase has been

Figure 12

Matching Gifts as a Percentage of Consolidated Corporate Contributions to Higher Education

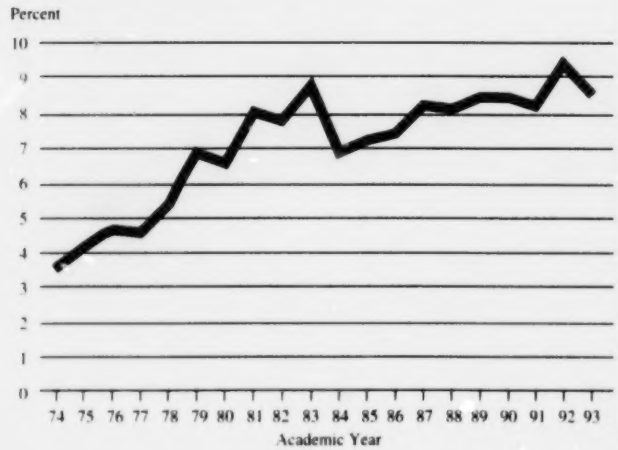
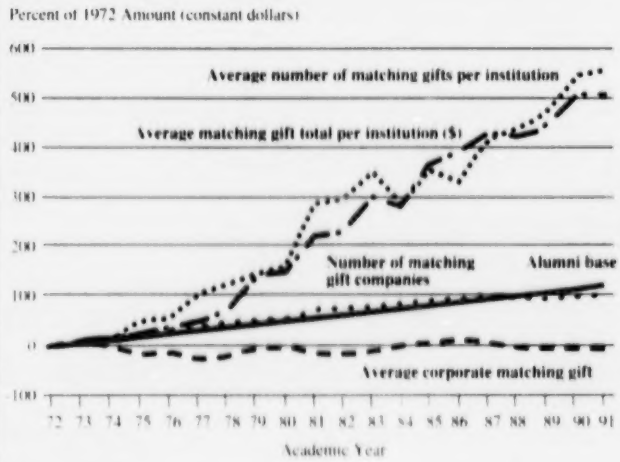


Figure 13

Factors Behind the Growth of Matching Gifts



a function of the number of gifts made, not the average size of gifts (when viewed in constant dollars). The number of gifts made has been a function of the number and size of companies offering matching gift programs, their eligibility policies, and the size of the alumni base (which is also a proxy for growth in the number of non-alumni individuals who also make matchable gifts). Growth in the number of gifts that is not attributable to the above factors must be attributable to a greater tendency for individuals to make gifts and to take advantage of matching gift programs. Promotion by both corporations and educational institutions has undoubtedly enhanced this tendency. Looking ahead, there is reason to expect that the number of matching gifts will continue to climb each year, exerting continually increasing pressure on education budgets until such time as these budgets start to climb more rapidly than they have over the last five years or companies change their gift matching policies. And there is already evidence of the latter.

Industry Differences in Educational Allocations

Industry differences in allocating gifts to the various educational areas are shown in *Table 6* (page 12). Because the number of participating companies is small relative to the total population of companies in a given industry, and an industry is often over-represented by the largest companies, the figures may not be typical of the industry as a whole and should be treated cautiously. In addition, because of the large amount of unallocated dollars reported in recent years, the distributions across educational categories may not be comparable to previous years. While both manufacturing and nonmanufacturing companies give the largest share of support to higher education, manufacturing companies give the larger relative share, and nonmanufacturing companies give a larger share than manufacturing companies to precollege education and through their matching gift programs. But these differences between the manufacturing and nonmanufacturing companies have been narrowing in recent years.

Contributions Ratios

Table 7 (page 12) compares world-wide corporate pretax income (PTI) and world-wide assets with corporate contributions to explore relationships between financial measures and giving. Companies are included in this table only if they provide both financial and contributions data on the same consolidated basis (i.e., both contributions and financial data are reported for the same corporate entity or entities).

For the 1989 to 1993 period, the total contributions to PTI ratio averaged 1.3 percent. The unusually high ratio of 1.76 percent in 1991 was due to a sharp drop in PTI. As PTI rebounded in 1992 and 1993 the ratio has fallen back toward more typical levels. The education to PTI ratio shows a similar pattern over this five year period.

The ratio of contributions to assets shows greater stability across the five year period since assets do not fluctuate nearly as much as PTI from year to year.

Year-to-Year Changes

Table 8 (page 13) provides a matched-case comparison of those companies that reported in both 1992 and 1993, by industry. For the 193 "core" companies that responded in both years, total contributions decreased by 1.8 percent and education contributions rose by 4.2 percent. For these same companies, PTI climbed 20.1 percent during the period.

As is true of the other tables in this report that provide breakdowns by industry, results for any particular industry should not be considered necessarily indicative of the industry as a whole.

Table 6

Percentage Distribution of Allocated Educational Support by Purpose, by Industry, 1993

Industry	Number of Companies	Total Dollars Allocated (000)	Higher Education Exclusive of Matching Gifts	Precollege Exclusive of Matching Gifts	Scholarships and Fellowships	Education-Related Organizations	Matching Gifts
Manufacturing							
Chemicals	16	$ 45,523	51.0%	6.0%	10.8%	11.2%	21.0%
Computers and Office Equipment	9	73,083	47.8	19.5	2.1	3.8	26.9
Electrical Machinery	12	65,067	74.1	5.5	3.4	4.2	12.8
Food, Beverage and Tobacco	13	26,091	45.1	15.6	14.9	11.1	13.3
Nonelectrical Machinery	6	5,216	39.1	39.6	5.2	2.6	13.5
Paper and Allied Products	9	8,070	31.5	35.3	7.4	8.4	17.4
Petroleum, Gas and Mining	15	74,546	38.8	10.0	5.5	13.5	32.3
Pharmaceuticals	10	30,259	46.3	11.6	8.0	7.7	26.4
Printing and Publishing	12	7,543	31.7	6.3	11.7	13.6	36.6
Transportation Equipment	15	83,268	71.8	12.0	1.5	3.4	11.3
Primary Metals	7	8,947	47.4	2.5	4.8	12.4	32.9
Other Manufacturing	34	24,953	60.7	13.3	6.5	2.4	17.1
All Manufacturing	158	$452,567	54.6%	12.1%	5.3%	7.1%	20.9%
Nonmanufacturing							
Banks	29	$ 32,376	33.2%	25.0%	4.3%	4.9%	32.6%
Finance	10	3,975	17.1	3.7	7.2	13.0	59.0
Insurance	34	25,223	41.3	12.0	6.5	7.9	32.3
Retail-Wholesale Trade	9	2,995	27.9	24.0	14.7	0.4	33.0
Telecommunications	12	50,570	55.3	19.8	1.8	6.2	16.9
Transportation	7	4,422	39.5	6.5	14.8	9.2	30.0
Electric and Gas Utilities	37	12,715	44.9	22.4	6.1	10.9	15.7
Diversified Services	11	13,579	26.5	5.4	8.6	10.3	49.1
All Nonmanufacturing	149	$145,856	42.3%	17.7%	5.0%	7.2%	27.8%
Grand Total	307	$598,423	51.6%	13.4%	5.2%	7.1%	22.6%

Table 7

Total Contributions and Educational Support in Relation to Worldwide Pretax Income and Assets, 1989 -1993

(millions of dollars)

Worldwide	1989 287 Companies	1990 298 Companies	1991 323 Companies	1992 309 Companies	1993 289 Companies
Total Contributions	$ 1,692.9	$ 1,931.4	$ 1,788.5	$ 1,864.3	$ 1,867.2
Support of Education	651.7	725.5	670.5	696.3	730.9
Pretax Income	154,527.9	172,876.5	101,796.7	142,308.4	158,221.4
Total Assets	$4,124,041.3	$4,598,635.1	$4,059,094.1	$4,958,727.1	$5,258,028.0
Total Contributions as a Percentage of:					
Pretax Income	1.096%	1.117%	1.757%	1.310%	1.180%
Total Assets	0.041	0.042	0.044	0.038	0.036
Support of Education as a Percentage of:					
Pretax Income	0.422	0.420	0.659	0.489	0.462
Total Assets	0.016	0.016	0.017	0.014	0.014
Support of Education as a Percentage of Total Contributions	38.5%	37.6%	37.5%	37.4%	39.1%

NOTE: *Not all companies were able to report all their education contributions. Education amounts and percentages are consequently slightly depressed.*

Table 8

Support of Education, Two Survey Years (193 Companies Participating in Both Surveys)

		1992				1993				Percent Change 1993 vs. 1992		
			Support of Education				Support of Education					
	Number of Companies	WWPTI *(millions)*	Amount (000)	As % of PTI	As % of Contributions	WWPTI *(millions)*	Amount (000)	As % of PTI	As % of Contributions	PTI	Support of Education	Total Contributions
Manufacturing												
Chemicals	13	$10,943	$ 66,994	0.612%	41.6%	$ 9,078	$ 58,462	0.644%	38.0%	-17.0%	-12.7%	-4.6%
Computers and Office Equipment	6	(9,249)	83,001	-0.897	53.6	(6,127)	73,130	NA	55.8	NA	-11.9	-15.3
Electrical Machinery	7	5,921	26,199	0.442	41.6	7,958	63,917	0.803	64.9	34.4	144.0	56.4
Food, Beverage and Tobacco	8	7,077	18,222	0.257	36.5	9,482	20,035	0.211	35.9	34.0	9.9	12.0
Nonelectrical Machinery	4	789	2,337	0.296	33.6	943	2,962	0.314	40.6	19.5	26.7	4.8
Paper and Allied Products	5	1,177	5,672	0.482	31.5	1,075	7,827	0.728	35.4	-8.6	38.0	23.1
Petroleum, Gas and Mining	11	16,696	83,049	0.497	45.3	23,397	76,229	0.326	45.7	40.1	-8.2	-9.0
Pharmaceuticals	5	5,909	16,641	0.282	21.5	3,987	14,637	0.367	17.4	-32.5	-12.0	8.5
Printing, Publishing and Media	9	2,266	13,311	0.588	32.3	2,492	11,444	0.459	28.3	10.0	-14.0	-1.9
Transportation Equipment	11	5,689	56,433	0.992	50.1	11,411	54,306	0.476	51.3	100.6	-3.8	-6.0
Primary Metals	6	(287)	3,940	-1.373	44.1	(382)	4,365	NA	50.7	NA	10.8	-3.7
Other Manufacturing	18	2,639	17,372	0.658	25.0	4,699	21,525	0.458	27.7	78.0	23.9	11.8
All Manufacturing	103	$49,569	$393,171	0.793%	41.5%	$ 68,012	$408,838	0.601%	42.9%	37.2%	4.0%	0.5%
Nonmanufacturing												
Banks	15	$ 8,004	$ 20,375	0.255%	30.0%	$ 12,492	$ 23,893	0.191%	29.5%	56.1%	17.3%	19.6%
Finance	6	4,403	5,198	0.118	22.0	6,246	6,543	0.105	23.2	41.9	25.9	19.6
Insurance	21	4,063	22,997	0.566	24.9	7,772	24,701	0.318	28.8	91.3	7.4	-7.3
Retail-Wholesale Trade	3	2,984	7,107	0.238	14.6	1,315	5,707	0.434	11.0	-55.9	-19.7	6.3
Telecommunications	8	16,722	66,593	0.398	46.4	9,109	65,661	0.721	45.8	-45.5	-1.4	-0.1
Transportation	3	74	1,036	1.402	19.0	151	1,085	0.719	20.5	104.1	4.8	-3.1
Electric and Gas Utilities	29	10,458	11,951	0.114	26.1	10,479	11,975	0.114	24.6	0.2	0.2	6.2
Diversified Services	5	1,292	5,070	0.392	38.7	1,647	7,579	0.460	48.1	27.5	49.5	20.2
All Nonmanufacturing	90	$48,000	$140,327	0.292%	31.9%	$ 49,213	$147,144	0.299%	32.0%	2.5%	4.9%	4.4%
Grand Total	193	$97,569	$533,498	0.547%	38.5%	$117,224	$555,983	0.474%	39.4%	20.1%	4.2%	1.8%

NOTE: Not all companies were able to report all their education contributions. Education amounts and percentages are consequently slightly depressed.

Variations by Company Size for Manufacturing Companies

Contributions patterns also vary according to company size. *Table 9* shows the manufacturing companies grouped by both income and asset size. Historically, two trends have been observed: first, as income increases, companies tend to contribute a smaller share of their income (in part, at least, as a consequence of the presence of foundations that permit the maintenance of contributions despite poor profits); and second, as asset size increases, companies tend to allocate a greater share of their contributions budgets to education. The former pattern is still evident, but not as consistent as in the past. The latter pattern has been gradually disappearing over the last decade and now only the companies with the greater amounts of assets stand out from the rest.

Industry Variations

Table 10 (page 14) compares total contributions and education support by industry in two ways: as a percentage of pretax income and as a percentage of assets. Education giving as a percentage of PTI, of assets, and of total contributions is listed to the right, along with industry rankings on these measures. While repeating many of the measures found in Table 8, this table allows for more companies since inclusion is not limited to just those companies that also participated in the prior year.

Table 9

Contributions by Manufacturing Companies by Size of Worldwide Pretax Income and Assets, 1993

Pretax Income	Number of Companies	Percent of PTI		Education as a Percent of Total Contributions
		Total	Education	
Net Loss	17	NA	NA	43.2%
Less than $25 million	17	4.092%	1.508%	36.9
$25-49 million	8	1.242	0.459	36.9
$50-99 million	16	1.929	0.945	49.0
$100-249 million	23	1.819	0.673	37.0
$250-499 million	25	1.416	0.506	35.7
$500-999 million	22	1.312	0.488	37.2
$1 billion and over	23	0.889	0.421	47.3
All Manufacturing Companies	151	1.412%	0.608%	43.1%

Assets	Number of Companies	Percent of Assets		Education as a Percent of Total Contributions
		Total	Education	
Under $250 million	9	0.163%	0.057%	35.0%
$250-499 million	15	0.121	0.048	39.5
$500-999 million	11	0.134	0.046	34.4
$1-2.49 billion	30	0.184	0.059	32.1
$2.5-4.9 billion	23	0.113	0.037	32.6
$5-9.9 billion	25	0.090	0.030	33.6
$10 billion and over	38	0.060	0.028	47.2
All Manufacturing Companies	151	0.070%	0.030%	43.1%

Table 10

Total Contributions and Education Support in Relation to Worldwide Pretax Income and Assets and Comparative Rankings by Industry, 1993

	Number of Companies	WWPTI (millions)	Assets (millions)	Total Contributions (000)	Education Support (000)	Education as a Percentage of WWPTI*	Education as a Percentage of Assets*	Education as a Percentage of Total Contributions*	Total Contributions as a % of WWPTI*
Manufacturing									
Chemicals	16	$ 10,156	$ 132,351	$ 163,960	$ 63,042	0.621% (4)	0.048% (3)	38.4% (7)	1.614% (3)
Computers and Office Equipment	9	(2,185)	161,623	154,113	83,625	NA	0.052 (1)	54.3 (2)	NA
Electrical Machinery	10	7,948	303,625	102,285	65,570	0.825 (1)	0.022 (10)	64.1 (1)	1.287 (6)
Food, Beverage and Tobacco	12	11,325	97,308	132,848	48,174	0.425 (6)	0.050 (2)	36.3 (8)	1.173 (8)
Nonelectrical Machinery	6	1,669	26,382	13,537	5,277	0.316 (10)	0.020 (12)	39.0 (6)	0.811 (9)
Paper and Allied Products	9	1,444	42,208	28,034	9,771	0.677 (2)	0.023 (9)	34.9 (9)	1.941 (1)
Petroleum, Gas and Mining	15	24,074	316,264	173,993	79,482	0.330 (9)	0.025 (8)	45.7 (5)	0.723 (10)
Pharmaceuticals	8	9,247	71,953	119,738	31,228	0.338 (8)	0.043 (5)	26.1 (12)	1.295 (5)
Printing, Publishing and Media	12	2,578	25,093	41,632	11,797	0.458 (5)	0.047 (4)	28.3 (10)	1.615 (2)
Transportation Equipment	16	15,568	511,344	194,774	103,172	0.663 (3)	0.020 (11)	53.0 (3)	1.251 (7)
Primary Metals	7	(191)	30,792	20,274	9,622	NA	0.031 (7)	47.5 (4)	NA
Other Manufacturing	31	7,032	73,637	106,923	28,746	0.409 (7)	0.039 (6)	26.9 (11)	1.521 (4)
All Manufacturing	151	$ 88,665	$1,792,579	$1,252,110	$539,508	0.608%	0.030%	43.1%	1.412%
Nonmanufacturing									
Banks	29	$ 20,015	$1,247,525	$ 146,874	$ 41,366	0.207% (6)	0.003% (6)	28.2% (4)	0.734% (6)
Finance	10	7,696	610,114	36,472	7,868	0.102 (8)	0.001 (8)	21.6 (7)	0.474 (8)
Insurance	30	10,702	1,009,575	96,567	27,460	0.257 (4)	0.003 (7)	28.4 (3)	0.902 (4)
Wholesale-Retail Trade	8	2,622	48,063	64,745	9,652	0.368 (3)	0.020 (3)	14.9 (8)	2.470 (1)
Telecommunications	12	12,152	245,504	166,155	74,944	0.617 (1)	0.031 (2)	45.1 (2)	1.367 (2)
Transportation	7	2,156	36,836	18,110	4,649	0.216 (5)	0.013 (4)	25.7 (5)	0.840 (5)
Electric and Gas Utilities	36	12,423	252,373	66,664	16,580	0.133 (7)	0.007 (5)	24.9 (6)	0.537 (7)
Diversified Services	6	1,790	15,458	19,544	8,829	0.493 (2)	0.057 (1)	45.2 (1)	1.092 (3)
All Nonmanufacturing	138	$ 69,557	$3,465,449	$ 615,130	$191,347	0.275%	0.006%	31.1%	0.884%
Grand Total	289	$158,221	$5,258,028	$1,867,240	$730,856	0.462%	0.014%	39.1%	1.180%

*(*Industry rankings are in parentheses.)*

NOTE: Not all companies were able to report all their education contributions. Education amounts and percentages are consequently slightly depressed.

The 151 manufacturing companies gave 43.1 percent of their total contributions to education (up from 40.7 percent in 1992), while the 138 nonmanufacturing companies gave 31.1 percent (about the same as last year). The manufacturing companies also devoted a larger proportion of their profits to education than did the nonmanufacturing companies. Because the asset measures for manufacturing and nonmanufacturing companies are not comparable in many instances, comparisons of contributions-to-assets ratios between industry groups should be treated cautiously.

Forms of Giving

Tables 11 and *12* provide breakdowns of contributions to all causes and to education by form of gift. Noncash gifts to all causes climbed from 13.4 percent of the total in 1992 to 16.4 percent of the total in 1993. Prior to 1984, noncash contributions amounted to about 10 percent of total contributions. Between 1984 and 1987 the noncash share doubled to about 20 percent, but has since dropped back to the 14-16 percent range. For education causes, noncash gifts climbed from 10.6 percent in 1992 to 15.7 percent in 1993, largely due to one gift of company property to a higher education institution.

Table 11

Forms of Giving to All Causes Combined

(millions of dollars)

	1992 Amount		1992 % of Total	1993 Amount		1993 % of Total
Cash	$1,751.1	(367)	86.6%	$1,647.6	(320)	83.5%
Securities	3.0	(4)	0.1	0.9	(6)	0.0
Company Products	251.9	(69)	12.5	260.9	(68)	13.2
Other Property	16.8	(52)	0.8	64.0	(48)	3.2
Total	$2,022.7	(367)	100.0%	$1,973.4	(320)	100.0%

(Numbers in parentheses show the number of companies reporting each form of gift.)

Table 12

Forms of Giving to Education

(millions of dollars)

	1992 Amount		1992 % of Total	1993 Amount		1993 % of Total
Cash	$671.0	(362)	89.4%	$625.5	(311)	84.3%
Securities	1.2	(1)	0.2	0.3	(2)	0.0
Company Products	73.5	(26)	9.8	66.4	(23)	9.0
Other Property	4.7	(28)	0.6	49.4	(28)	6.7
Total	$750.3	(362)	100.0%	$741.7	(312)	100.0%

(Numbers in parentheses show the number of companies reporting each form of gift.)

Education received 36 percent of all noncash gifts from corporations reported in 1993, up from 29 percent in 1992. But these shares fluctuate greatly from year to year.

Foundations Smooth the Way

Seventy-five percent of the manufacturing companies and 51 percent of the nonmanufacturing companies responding to the survey have company foundations, about the same as the past few years *(see Table 13)*. Of the 190 companies with foundations that provided detailed information on the flow of funds from the company and its foundation, 33 made all their 1993 contributions through their foundations (about the same proportion as last year); others chose to make part of their contributions through their foundations and the rest directly from the corporation to the recipients.

A foundation can help stabilize the flow of charitable contributions in times of declining or uncertain profits by maintaining grants programs even while its parent company reduces contributions. The foundation can use earnings on its assets, draw down assets, or do both in order to maintain a desired giving level. In periods of high profits, the company can replenish the foundation's assets. *Table 14* presents the contributions of survey respondents and their foundations for the past five years. The first line on the table shows the total gifts reported by the companies to the Internal Revenue Service for income-tax purposes. These include gifts from the corporations to their own foundations, which are shown on the second line and then subtracted from line one to determine the total given directly by companies to charitable causes. Then, grants made by the foundations are added in to provide a total consolidated contributions figure for both the corporate foundations and their parent companies to all causes.

Sixty percent of the consolidated contributions of survey participants in 1993 came directly from the companies in 1993, the same as the prior four years, with the remaining 40 percent coming from company foundations. The median direct company contribution (exclusive of companies making all contributions through their foundations) was $1.37 million, up from $1.01 million in 1992. The median foundation contributions program was $1.85 million, up from $1.7 million in 1992.

As shown in *Table 14*, the difference between foundation receipts and foundation gifts for companies participating in the survey, after climbing to a surprising $495 million in 1990, has fallen for the past three years, both because there appears to have been a relative rise in company gifts to their own foundations and because foundation giving has fallen off.

According to the Foundation Center, corporate foundations held assets of about $6 billion in 1993, the latest year for which comprehensive data are available.

Table 13

Percentage of Reporting Companies with Foundations by Industry, 1993, Ranked by Percentage with Foundations

	Number of Companies	Percentage with Foundations
Manufacturing		
Primary Metals	7	100.0%
Electrical Machinery	13	92.3
Nonelectrical Machinery	6	83.3
Paper and Allied Products	11	81.8
Pharmaceuticals	10	80.0
Chemicals	18	77.8
Computers and Office Equipment	9	77.8
Transportation Equipment	16	75.0
Food, Beverage and Tobacco	14	71.4
Printing, Publishing and Media	16	68.8
Other Manufacturing	34	67.6
Petroleum and Gas and Mining	15	60.0
All Manufacturing	169	75.1%
Nonmanufacturing		
Transportation	7	71.4%
Banks	30	66.7
Diversified Services	11	63.6
Telecommunications	12	58.3
Insurance	34	58.8
Finance	10	40.0
Wholesale-Retail Trade	9	33.3
Electric and Gas Utilities	39	30.8
All Nonmanufacturing	152	51.3%
All Companies	321	63.9%

Table 14

Structure of Corporate Contributions

(millions of dollars)

	1989	1990	1991	1992	1993
Total Company Gifts:	$1,458.2	$1,588.7	$1,835.9	$1,714.8	$1,636.9
	(311)	(318)	(383)	(343)	(295)
Less: Gifts to Company Foundations:	411.9	414.6	525.6	490.0	490.5
	(126)	(127)	(152)	(142)	(118)
Direct Company Gifts to Others:	1,046.3	1,174.1	1,310.2	1,224.9	1,146.4
	(288)	(292)	(349)	(317)	(272)
Plus: Company Foundation Gifts:	710.3	909.8	888.2	805.5	736.4
	(187)	(216)	(237)	(213)	(182)
Total Corporate Contributions:	$1,756.6	$2,083.9	$2,198.5	$2,030.4	$1882.7
	(320)	(337)	(393)	(352)	(305)
Difference Between Foundation Receipts and Foundation Gifts:	-298.4	-495.2	-362.6	-315.5	-245.8
Cumulative Change from 1974:	-1,024.0	-1,519.2	-1,881.8	-2,197.3	-2443.2
Number of Companies with Foundations:	201	227	239	213	190

(Numbers in parentheses show the number of companies reporting.)

The Top 25 Contributors from Each Sector

Table 15 presents a giving profile of the top 25 contributors to education from the manufacturing companies and from the nonmanufacturing companies responding to the survey. These 50 donors (16 percent of survey participants) together provided 69 percent of the education support and 57 percent of total support reported by all participants, similar to recent years. Their average contribution to education in 1993 was $10.4 million — up $100,000 over 1992. The top 25 nonmanufacturing companies increased their collective giving to education by just $100,000, virtually unchanged in other words. These comparisons are inexact, since the actual companies in the top 25 lists vary somewhat from year to year.

The top 25 manufacturing companies provided 57 percent of total contributions and 68 percent of the total education grants reported by all 169 manufacturing respondents, while the top 25 nonmanufacturing companies provided 56 percent of the total contributions and 70 percent of all education grants made by the 152 nonmanufacturing participants.

Table 15

Top 25 Manufacturing and Nonmanufacturing Companies Ranked by Educational Support, 1993

	Educational Support ($000)	Total Contributions ($000)	Education as % of Total	Worldwide PTI *(millions)*	Contributions as a Percentage of WWPTI: Education	Contributions as a Percentage of WWPTI: Total
Manufacturing						
1	$ 56,720	$ 80,971	70.0%	$ 6,575	0.863%	1.231%
2	35,400	69,200	51.2	(8,797)	NA	NA
3	32,598	50,335	64.8	2,573	1.267	1.956
4	24,354	41,496	58.7	7,950	0.306	0.522
5	23,165	28,748	80.6	1,783	1.299	1.612
6	18,130	37,000	49.0	NA	NA	NA
7	16,062	40,101	40.1	3,105	0.517	1.292
8	13,405	25,768	52.0	2,529	0.530	1.019
9	12,800	23,800	53.8	958	1.336	2.484
10	12,800	27,155	47.1	3,103	0.413	0.875
11	12,379	27,190	45.5	1,721	0.719	1.580
12	10,825	21,631	50.0	2,507	0.432	0.863
13	10,588	18,873	56.1	3,185	0.332	0.593
14	9,838	14,167	69.4	3,838	0.256	0.369
15	9,417	17,353	54.3	915	1.029	1.897
16	9,400	19,600	48.0	(224)	NA	NA
17	9,084	22,518	40.3	1,050	0.865	2.144
18	9,078	47,101	19.3	2,332	0.389	2.020
19	8,453	15,848	53.3	856	0.987	1.851
20	8,394	43,391	19.3	2,002	0.419	2.167
21	7,675	26,397	29.1	4,015	0.191	0.657
22	7,502	21,345	35.1	1,172	0.640	1.821
23	7,117	17,096	41.6	2,426	0.293	0.705
24	6,777	13,288	51.0	256	2.649	5.194
25	6,045	15,634	38.7	(193)	NA	NA
	$378,005	$766,005	49.3%	$45,637	0.789%*	1.597%*
Nonmanufacturing						
1	$ 23,422	$ 44,973	52.1%	$ 6,204	0.378%	0.725%
2	11,750	22,748	51.7	1,600	0.734	1.422
3	10,882	28,482	38.2	223	4.891	12.801
4	10,400	20,500	50.7	1,600	0.650	1.281
5	8,717	19,035	45.8	2,860	0.305	0.666
6	7,530	17,675	42.6	2,060	0.366	0.858
7	6,952	22,401	31.0	3,428	0.203	0.653
8	6,723	18,947	35.5	(272)	NA	NA
9	6,146	16,689	36.8	2,324	0.264	0.718
10	5,911	18,715	31.6	2,115	0.280	0.885
11	5,900	5,930	99.5	NA	NA	NA
12	3,500	27,400	12.8	1,554	0.225	1.763
13	3,207	14,027	22.9	2,691	0.119	0.521
14	3,087	9,817	31.4	(1,147)	-0.269	-0.856
15	2,973	6,144	48.4	1,131	0.263	0.543
16	2,952	7,389	39.9	1,322	0.223	0.559
17	2,937	9,042	32.5	523	0.562	1.730
18	2,793	4,414	63.3	242	1.153	1.823
19	2,756	5,500	50.1	737	0.374	0.746
20	2,750	8,100	34.0	702	0.392	1.154
21	2,481	7,422	33.4	1,550	0.160	0.479
22	2,308	11,555	20.0	938	0.246	1.232
23	2,275	9,432	24.1	966	0.236	0.976
24	2,212	9,726	22.7	365	0.606	2.665
25	2,193	8,084	27.1	NA	NA	NA
	$ 142,756	$374,147	38.2%	$33,714	0.399%*	1.068%*

**Ratios are based only on companies reporting PTI.*

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